



Workforce Investment Act

ANNUAL REPORT

PROGRAM YEAR 2007

Kansas Department of Commerce

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State of Kansas

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KANSASWORKS State Board

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EXECUTIVE SUMMARY

The State of Kansas continues to make improvements in the service delivery methods for workforce investment activities. We received a waiver to report common measures, allowing staff to spend their time focusing on customer needs rather than program outcomes. The last of our local areas entered into contracts with outside entities to deliver services to adults, dislocated workers and youth beginning July 1, 2007. Kaiser Group, Inc. became the program operator for the Kansas City area in Local Area III, and Dynamic Educational Systems, Inc. became the operator for southeast Kansas in Local Area V. Both of these providers inherited some performance issues in their respective local areas and have worked diligently to correct these problems. This past spring we began the process of integrating services into one integrated system.

The State is proud to say in the midst of all these changes, we successfully met or exceeded all nine common measures. Special populations for adults and dislocated workers also continue to be well served. These groups achieved the negotiated levels of performance for over 91% of the measures.

State Service Delivery Analysis

While there was a continuing decrease in participant levels because of a stable economy during PY 2007, **KANSASWORKS** continued to improve its performance in delivering services to its constituents and stakeholders. Local Boards and their partner agencies, working through the One-Stop system, provided services to approximately 35,000 total participants with 29,000 Kansans receiving self services either electronically or through workforce centers across the state. The Adult program provided over 3100 Kansans with service beyond the self-service level. Over 870 Dislocated Worker participants were served, and nearly 1750 Youth participants received services.

Adult Program

The state exceeded the negotiated level of performance for all Adult measures. The Adult entered employment rate and the Adult employment retention rate showed increases from the levels attained in PY 2006, while the Adult average earnings showed a slight decrease. For Adult special populations, 83.3% of the standards were met or exceeded. All standards for Adults who received training services were exceeded. Of those who received training services, 55.7% entered training related employment, up from 53.9% in PY06. The average wage at entry into employment was \$5,389 per quarter for program exiters, an increase of over \$389 per exiter.

Dislocated Worker Program

The state exceeded the negotiated performance standards for the Dislocated Worker entered employment rate and the employment retention rate while meeting the standard for the average earnings rate. For Dislocated Worker special populations, 100% of the standards were met or exceeded. All standards for Dislocated Workers who received training services were met or exceeded. Of the Dislocated Workers who received training services, 62.6% entered training related employment, up from 61% last program year. The average wage for those exiters who entered employment showed an increase of \$457 when compared to the PY 2006 level.

Youth Program

The state exceeded the three youth common measures. All three measures were also higher than in Program Year 2006, most notably the literacy/numeracy gains measure. Kansas went from 8% in PY06 to 38.5% in PY07, exceeding the 35% goal.

Cost of Activities

For the Adult program, the average cost per participant was \$1,665.27. Using the wage at entry into employment rate for Adult exiters as a measure of effectiveness, the return on investment was \$3.24 per dollar expended. This reflects an increase from last year of \$1.45.

When self-service participants are included in determining the cost of activities, the average cost per participant for all Adults was \$162.93, which equates to a minimum return on investment of \$33.08 per participant served.

In the Dislocated Worker program the average cost per participant was \$7,702.63 and the return on investment based on exiter wage at entry into employment was \$0.90 per dollar expended. This equates to an increase of \$0.06 from last year.

For Youth programs, the cost per participant was \$3,533.31, with nearly 83% of that being expended in the delivery of the ten youth elements. While it is significantly harder to determine a return on investment methodology for youth exiters because of the low percentage of Younger Youth who enter employment, \$0.94 of older youth wage at entry into employment was achieved for each dollar expended on both older and younger youth.

Continuous Improvement Initiatives and Activities

Local Area I

WorkforceONE staff hosted a WIA Title IB Case Management Retreat at Camp Aldrich in the fall of 2007. The retreat focused on transforming case management from process driven to customer driven. As a result of the retreat, three committees have been formed to develop additional case management tools for the Adult, Dislocated Worker and Youth case managers. Those tools include initial assessment interview questionnaires and guidelines; basic competency tool kits and long-term customer planning tools and processes.

Local Area II

During this program year, the Douglas County Manufacturing Certificate Program was developed by Heartland Works, Johnson County Community College, the Lawrence Chamber of Commerce, the Lawrence and Eudora school districts and two local employers – Sauer-Danfoss and Berry Plastics. The program mixes vocational education with hands-on experience and runs through December, at which time participants will receive their certificates and the opportunity to find full-time work with local employers. As one of the participating employers said, “It’s going to be a win-win for the businesses, the people, the community – everybody.” We hope to report results of this program in next year’s annual report.

Local Area III

The Workforce Partnership selected Kaiser Group, Inc. to serve as its One-Stop Operator and WIA Adult/Dislocated Worker service provider, beginning on July 1, 2007. One of the changes made when Kaiser took over was the creation of a Business Service Team in each office to reach out and involve businesses. Team members will call on businesses to see what their needs are and help better match job applicants to their jobs.

Local Area IV

Governor Kathleen Sebelius and USDOL Assistant Secretary Emily Stover DeRocco kicked off the South Central Kansas WIRED Initiative (now called Composites Kansas WIRED Initiative) on December 7, 2007 at the Wichita Workforce Center. The goal of the initiative is to accelerate economic growth and transformation by fostering innovation and talent development critical to the aircraft and medical device industries and other technology driven employers in the region. Focus will be placed on increasing the competency of the workforce and expanding education and training in science, technology, engineering and math. Resources from Composites Kansas will support the emerging composite and advanced materials industry as the use of composites dramatically accelerates in the aviation and medical device industries, and encourage migration of a new generation of composite and advanced materials technology to other commercial applications in the region. Most of the program year was spent on developing and refining the implementation plan. On February 12, 2008, the Implementation Plan was submitted and then revised on June 27, 2008. During the fourth quarter of PY07, the Composites Kansas WIRED Initiative has been able to focus their attention on strategic activities. Targeted initiatives that had been benchmarked for this program year have been delayed to subsequent quarters.

Local Area V

The KANSASWORKS Board in SE Kansas selected Dynamic Educational Systems, Inc. (DESI) to serve as its One-Stop Operator and WIA Adult/Dislocated Worker/Youth service provider, beginning on July 1, 2007. Some of DESI's goals for the next two years include, in part, an adult and dislocated worker program focused on hard-to-serve populations with emphasis on increased accountability for employment, and for youth, increased accountability for employment and/or increased secondary and postsecondary education outcomes.

Statewide Monitoring Activities

As part of the ongoing responsibilities for the oversight of federal employment and training activities, the Kansas Department of Commerce (Commerce) conducts both desk and on-site monitoring reviews on a regularly scheduled basis. The Workforce Compliance and Oversight (WCO) unit is the administrative unit responsible for implementing employment and training reviews associated with the Workforce Investment Act using federal and/or state developed monitoring guides. The primary mission of the WCO unit is to review administrative policies, practices, standards and systems are functioning and operating within the parameters established by federal and state legislation, regulations, and policy directives. The results of each WCO monitoring effort are documented and compiled in a formal report and disseminated for response and, as warranted, corrective action to the appropriate administrative entities. Specific activities subject to state monitoring may include, but are not limited to the following:

- Allowable activities;
- Targeting; selection, assessment methodology, and eligibility;
- EEO and ADA compliance;
- Fiscal accountability and internal controls, procurement, inventory control, and property management;
- Complaint and grievance policies and procedures;
- Management Information Systems (MIS), data sharing, maintenance, and validation;
- Conflict of interest and nepotism;
- Contracting, certifications (e.g. Local Workforce Investment Boards (Local Boards), service providers, etc.);
- Program Fraud or Abuse;
- Customer satisfaction and performance; and
- Recordkeeping maintenance, security, and retention.

During Program Year 2007, the WCO unit produced monitoring reports as follows:

1. Workforce Innovation in Regional Economic Development Grant – OneKC Wired
2. Review of Local Workforce Investment Board Composition and Compliance – Area 1
3. Review of Local Workforce Investment Board Composition and Compliance – Area 2
4. Review of Local Workforce Investment Board Composition and Compliance – Area 3
5. Review of Local Workforce Investment Board Composition and Compliance – Area 4
6. Review of Local Workforce Investment Board Composition and Compliance – Area 5
7. Annual Report on Migrant Seasonal Farm Workers

8. Review of Adult and Dislocated Workers – Area II
9. Review of Adult and Dislocated Workers – Area III
10. Review of Adult and Dislocated Workers – Area IV
11. Review of the Youth Program – Area IV

In addition to the above activities, WCO provided assistance toward conducting data validation of state reported participant information, which is used by the United States Department of Labor (USDOL). A performance audit of all the states conducted by the United States Office of Inspector General (OIG) found the accuracy of state-reported performance outcomes could not be assured. To address these concerns, and to ensure the accuracy of data collected and reported on the Workforce Investment system, USDOL developed and mandated this data validation initiative.

Finally, the WCO unit arranged for independent financial audits to be conducted of all Local Areas towards ensuring compliance with OMB Circulars.

Additional Information

Waivers

Eliminating Certain Performance Reporting

As mentioned earlier in this report, we received a waiver to report common measures, allowing staff to spend more of their time focusing on customer needs rather than program outcomes. The excessive number of performance measures were forcing staff to spend excessive time focusing on those outcomes rather than on the needs of employers and jobseekers. Reporting only the common measures removes this barrier and thus improves service delivery. It allows the local boards greater flexibility in designing and implementing services by focusing on customer needs rather than program requirements. Seven of the nine measures showed increases from their PY06 results.

The State also felt this waiver would improve services to youth and increase focus on out-of-school youth. We increased our results in all three measures, with the literacy/ numeracy gain measure seeing a 30% increase. The number of out-of-school youth served also increased by over 100.

Incumbent Worker Training

The State also received a waiver to allow the local boards, if they so choose, to spend up to 10% of funds allocated under WIA Section 133(b) to carry out incumbent worker training programs. Competition in the workplace increases with each year and incumbent worker training provides businesses the assistance they need to retain jobs and, in some instances, create new ones. Providing incumbent worker training reduces the risk of layoff or closure because workers have not kept current with new skills and technology. With the extension of this waiver, the State was able to train and upgrade the skills of 1,022 Kansans, a win-win for the worker and the employer.

WorkKeys

The state of Kansas has taken action to help build and identify truly skilled workers by implementing an initiative called the Kansas *WORKReady!* Certificate – a recent statewide effort to measure, validate and certify worker skills. This certificate, signed by Governor Kathleen Sebelius, is beneficial to students in secondary and postsecondary schools, as well as working adults. *WORKReady!* is based on WorkKeys® assessments and indicates the individual is prepared with foundational, transferable skills used in all occupations and is equipped to learn job-specific and technical skills. The public workforce system has also purchased an on-line curriculum to assist job candidates improve their skills and earn a higher certificate.

Kansas adopted the skills measuring and skills enhancing tool in 2008 as a means to ensure our businesses that a prospective employee has the skills needed to do the job. To date, Kansas has issued 240 certificates and is working with many partners including high schools, community and technical colleges, Adult Education, Department of Corrections, Kansas Economic Development Association, Kansas Council of Chambers and others.

Integration

In an effort to continue improvement on our performance and better serve our customers, the State began the process to integrate services and co-enroll participants. Local areas are now working on modifying their local area plans, and full implementation will begin July 1, 2009. Several meetings and training sessions have been held with our contracted vendor and all local area representatives to ensure the state is ready for full integration by July. We hope to have much more, exciting information to give you next program year.

State Level Performance
Program Year 2007

Table B – Adult Program Results

Reported Information	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	81.0	88.2	657
Employment Retention Rate	88.5	90.3	745
Average Earnings	12,000	12,960	874
			968
			10,912,379
			842

Table C – Outcomes for Adult Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals with Disabilities		Older Individuals	
	Entered Employment Rate	84.3	167 198	92.0	46 50	68.8	11 16	80.0
Employment Retention Rate	84.3	183 217	89.7	52 58	70.0	14 20	83.3	20 24
Average Earnings Rate	9,573	1,703,956 178	12,717	635,865 50	11,920	166,885 14	11,568	231,363 20

Table D – Other Outcome Information for the Adult Program

Reported Information	Individuals Who Received Training Services		Individuals Who Only Received Core and Intensive Services	
	Entered Employment Rate	87.1	464 533	91.0
Employment Retention Rate	90.4	752 832	89.7	122 136
Average Earnings Rate	13,363	9,742,175 729	10,355	1,170,204 113

Table E – Dislocated Worker Program Results

Reported Information	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	88.0	89.4	386
			432
Employment Retention Rate	91.0	94.6	331
			350
Average Earnings	15,500	15,170	4,869,681
			321

Table F – Outcomes for Dislocated Worker Special Populations

Reported Information	Veterans		Individuals with Disabilities		Older Individuals		Displaced Homemakers	
	Entered Employment Rate	100.0	35	88.9	8	85.4	41	100.0
		35		9		48		6
Employment Retention Rate	89.3	25	88.9	8	90.9	40	100.0	5
		28		9		44		5
Average Earnings Rate	17,919	447,965	15,901	127,210	14,631	570,599	15,520	77,598
		25		8		39		5

Table G – Other Outcome Information for the Dislocated Worker Program

Reported Information	Individuals Who Received Training Services		Individuals Who Only Received Core and Intensive Services	
	Entered Employment Rate	92.1	290 315	82.1
Employment Retention Rate	95.7	270 282	89.7	61 68
Average Earnings Rate	15,252.5	3,980,905 261	14,812.9	888,775 60

Table H.1 – Youth (14 – 21) Program Results

Reported Information	Negotiated Performance Level	Actual Performance Level	
Placement in Employment or Education	67.0	67.9	321
			473
Attainment of Degree or Certificate	51.0	60.6	311
			513
Literacy and Numeracy Gains	35.0	38.5	52
			135

Table L – Other Reported Information

Reported Information	12 Month Employment Retention Rate		12 Month Earning Increase		Placement in Non-traditional Employment		Wages at Entry Into Employment for Those Individuals who Entered Unsubsidized Employment		Entry Into Unsubsidized Employment Related to the Training Received of Those Who Completed Training	
	Adults	89.0	759	5,571	4,612,997	4.0	26	5,388	3,389,534	55.7
	853		828		657		629		463	
Dislocated Worker	90.9	321	111	4,814,165	4.4	17	6,951	2,627,439	62.6	181
		353		4,323,564		386		378		289

Table M – Participation Levels

Reported Information	Total Participants Served	Total Exiters
Total Adult Customers	32,934	32,813
Total Adult Self-Service Only	28,934	30,566
WIA Adult	32,072	32,386
WIA Dislocated Worker	873	431
Total Youth (14-21)	1,742	811
Younger Youth (14-18)	1,308	608
Older Youth (19-21)	434	203
Out-of-School Youth	684	323
In-School Youth	1,058	488

Table N – Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		5225628.00
Local Dislocated Workers		6724398.00
Local Youth		6155030.00
Rapid Response (up to 25%) WIA Section 134(a)(2)(B)		1681099.00
Statewide Required Activities (up to 15%) WIA Section 134(a)(2)(B)		2715757.00
Statewide Allowable Activities WIA Section 134(a)(3)	Program Activity Description	
	Apprenticeship	273000.00
	Local Area Projects	536,898.00
	Incumbent Workers Projects	18,000.00
	Special Projects	592,307.00
	Juvenile Corrections Projects	254,406.00
	State Board	125,000.00
	Outreach	185,000.00
	Student Loan Program	4,000.00
	Systemwide Projects	365,000.00
Total of All Federal Spending Listed Above		24,855,523.00

Local Area Performance

Program Year 2007

Table O – Local Performance

Kansas WorkforceONE	Total Participants Served	Adults	6269
		Dislocated Workers	238
		Older Youth (19-21)	85
		Younger Youth (14-18)	340
ETA #20005	Total Exiters	Adults	7635
		Dislocated Worker	131
		Older Youth (19-21)	39
		Younger Youth (14-18)	109

Reported Information	Program Participants	Negotiated Performance	Actual Performance
Entered Employment Rate	Adults	81.0	89.9
	Dislocated Workers	88.0	93.8
Retention Rate	Adults	88.5	94.2
	Dislocated Workers	91.0	99.1
Average Earnings	Adults	11500	11076
	Dislocated Workers	14500	14656
Placement in Employment or Education	Youth (14-21)	70.0	74.6
Attainment of Degree or Certificate	Youth (14-21)	51.0	59.7
Literacy or Numeracy Gains	Youth (14-21)	37.00	63.0

Description of Other State Indicators of Performance (WIA Section 136(d)(1)) – Insert additional rows if there are more than two other state indicators		

	Not Met	Met	Exceeded
Overall Status of Local Performance	0	1	8

Table O – Local Performance

Heartland Works, Inc.	Total Participants Served	Adults	8668
		Dislocated Workers	91
		Older Youth (19-21)	46
		Younger Youth (14-18)	313
ETA #20010	Total Exiters	Adults	9103
		Dislocated Worker	33
		Older Youth (19-21)	26
		Younger Youth (14-18)	126

Reported Information	Program Participants	Negotiated Performance	Actual Performance
Entered Employment Rate	Adults	81.0	91.4
	Dislocated Workers	88.0	93.3
Retention Rate	Adults	88.5	91.4
	Dislocated Workers	91.0	95.3
Average Earnings	Adults	12000	13996
	Dislocated Workers	15500	13125
Placement in Employment or Education	Youth (14-21)	67.0	66.7
Attainment of Degree or Certificate	Youth (14-21)	51.0	68.0
Literacy or Numeracy Gains	Youth (14-21)	35.00	63.2

Description of Other State Indicators of Performance (WIA Section 136(d)(1)) – Insert additional rows if there are more than two other state indicators		

	Not Met	Met	Exceeded
Overall Status of Local Performance	0	2	7

Table O – Local Performance

Workforce Partnership	Total Participants Served	Adults	6354
		Dislocated Workers	57
		Older Youth (19-21)	38
		Younger Youth (14-18)	216
ETA #20015	Total Exiters	Adults	5108
		Dislocated Worker	39
		Older Youth (19-21)	35
		Younger Youth (14-18)	165

Reported Information	Program Participants	Negotiated Performance	Actual Performance
Entered Employment Rate	Adults	81.0	80.4
	Dislocated Workers	88.0	88.6
Retention Rate	Adults	88.5	82.8
	Dislocated Workers	91.0	93.9
Average Earnings	Adults	12500	11210
	Dislocated Workers	16250	16583
Placement in Employment or Education	Youth (14-21)	62.0	57.6
Attainment of Degree or Certificate	Youth (14-21)	51.0	53.7
Literacy or Numeracy Gains	Youth (14-21)	30.00	0.0

Description of Other State Indicators of Performance (WIA Section 136(d)(1)) – Insert additional rows if there are more than two other state indicators		

	Not Met	Met	Exceeded
Overall Status of Local Performance	1	5	3

Table O – Local Performance

Workforce Alliance of South Central Kansas	Total Participants Served	Adults	3798
		Dislocated Workers	216
		Older Youth (19-21)	177
		Younger Youth (14-18)	243
ETA #20020	Total Exiters	Adults	3161
		Dislocated Worker	82
		Older Youth (19-21)	67
		Younger Youth (14-18)	111

Reported Information	Program Participants	Negotiated Performance	Actual Performance
Entered Employment Rate	Adults	81.0	95.9
	Dislocated Workers	88.0	95.9
Retention Rate	Adults	88.5	93.8
	Dislocated Workers	91.0	96.7
Average Earnings	Adults	12000	14943
	Dislocated Workers	15500	15962
Placement in Employment or Education	Youth (14-21)	67.0	71.6
Attainment of Degree or Certificate	Youth (14-21)	51.0	50.0
Literacy or Numeracy Gains	Youth (14-21)	35.00	35.7

Description of Other State Indicators of Performance (WIA Section 136(d)(1)) – Insert additional rows if there are more than two other state indicators		

	Not Met	Met	Exceeded
Overall Status of Local Performance	0	1	8

Table O – Local Performance

KANSASWORKS	Total Participants Served	Adults	6940
		Dislocated Workers	230
		Older Youth (19-21)	57
		Younger Youth (14-18)	165
ETA #20025	Total Exiters	Adults	7345
		Dislocated Worker	69
		Older Youth (19-21)	26
		Younger Youth (14-18)	89

Reported Information	Program Participants	Negotiated Performance	Actual Performance
Entered Employment Rate	Adults	81.0	83.2
	Dislocated Workers	88.0	90.0
Retention Rate	Adults	88.5	85.9
	Dislocated Workers	91.0	89.4
Average Earnings	Adults	12000	10702
	Dislocated Workers	15500	14295
Placement in Employment or Education	Youth (14-21)	67.0	82.5
Attainment of Degree or Certificate	Youth (14-21)	51.0	78.1
Literacy or Numeracy Gains	Youth (14-21)	35.00	23.1

Description of Other State Indicators of Performance (WIA Section 136(d)(1)) – Insert additional rows if there are more than two other state indicators		

	Not Met	Met	Exceeded
Overall Status of Local Performance	1	4	4